A Presentation to the VACAN

Richmond

February 15, 2005



...Why Agriculture??...

Economic considerations

- \$35.9 billion in annual sales
- \$19.5 billion contribution to GSP (11.2%)
- 388,000 jobs



... Our primary purpose: jobs and investment in agriculture



...What do we mean by the terms "Agriculture/Agribusiness"?

- Traditional agricultural production
 & inputs
- Food, tobacco processing, wineries, and cotton textiles
- Transportation, wholesaling and retailing of agricultural products
- Agri Tourism



- ... How do we impact jobs and investment in Agriculture?

 - development of value-added agribusiness ventures
 - **☑** job retention assistance
 - **recruitment of new business**



- ... How do we assist Agribusinesses?
- Site Selection (with VEDP/local economic developers)
- ☑ Agribusiness Infrastructure Development
- **☑** Business Plan Development (with SBDC)
- ▼Financing (with SBFA & USDA)
- **☑** Regulatory Assistance



- Governor's Net Agricultural Receipts Initiative
- Governor's Wine Study Initiative
- Agricultural Vitality Program

Farm Business Transition

Farmland Preservation



Net Agricultural Receipts Report

Creation of Secretariat of Agriculture and Forestry

Secretary Robert Bloxom

Deputy Secretary Bill Dickinson

Governor Warner's Virginia Works Initiative

Based on agricultural growth data, commodity production trends, regional economic comparisons.

Economic Factors

Economies of Scale – large enough to realize economic efficiencies

Market Power – large enough to achieve a significant market advantage in price and volume



VA Works Initiative

Specialty Agriculture Component

High Value Products versus Commodities

Value-Added Consumer-Ready Products

Nursery/Greenhouse Operations



Wholesale Nurseries
Greenhouse vegetable producers

Wine Grapes



Wineries and Vineyards

Food Processing

- Confections
- Meat Snacks
- Salad Dressing
- Peanut Butter
- Home Replacement

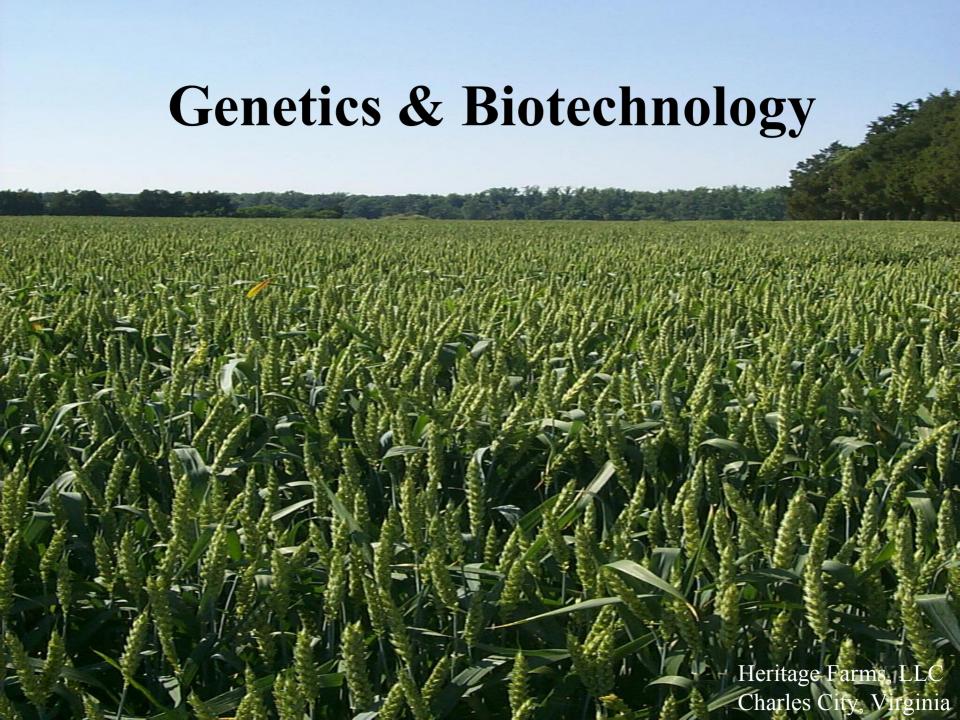
 Meals

-World's Best Cheesecake Ashland, Virginia



Virginia Works Initiative

- Funding for agriculture development, marketing and research / extension on specialty agriculture.
- VA Dept. of Agriculture and Consumer Services
- Virginia Tech
- Virginia State University



The Future of VA Agriculture

Business Alliances – strategic partnerships to gain greater market presence

Integration: Production - Processing - Consumer



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